Louisiana Department of Natural Resources OUISIANA

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Technology Assessment Division

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Highlights_____

JULY 2009

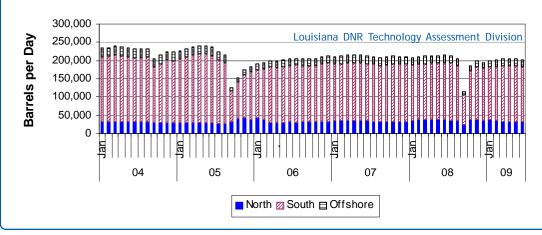
Spot market prices for natural gas have reversed their downward trend. Gas prices reached an eight-year low on April 27, 2009 at \$3.16 per MMBTU. May's average price was \$3.65 per MMBTU and June's average price was \$3.66 per MMBTU. The June price was 70.4% lower than the June 2008 price of \$12.35 per MMBTU. Despite the abundance of gas, experts are predicting that prices will rise in the near future. As of Friday, June 19, working gas in US underground storage was estimated at 2,651 BCF. This is 22.2% higher than the 5-year (2004-2008) average. Net injection into underground storage totaled 94 BCF. On the othe hand, Natural Gas Week reported that Paul Corby, a Planalytics natural gas analyst, is predicting that by year-end natural gas will be trading in the \$7 to \$8 range.

Louisiana Monthly Crude Oil & Condensate Production**, Excluding Federal OCS

			Bar	rels/Day				
						% Change		
Month	2004	2005	2006	2007	2008	2009	07/08	08/09
January	233,632	226,993	191,443	211,360 ²	206,278 ²	200,298		-2.90%
February	235,607	232,006	194,061	211,457 ²	209,601 2	201,100		-4.06%
March	240,406	238,200	199,608	216,356 ²	211,540 ²	204,993		-3.10%
April	236,065	241,141	198,345	215,936 ²	213,416 ²	204,647 1		-4.11%
May	235,448	240,452	200,913	215,575 ²	212,889 ²	204,404 1		-3.99%
June	230,497	236,110	204,916	213,186 ²	214,672 2	201,218 ¹		-6.27%
July	231,724	222,435	205,773	210,654 ²	213,964 ²		1.57%	
August	233,006	214,431	205,344	206,807 ²	203,405 ²		-1.65%	
September	203,870	126,657	204,252	208,877 ²	113,362 ²		-45.73%	
October	215,554	153,099	204,051	211,500 ²	186,289 ²		-11.92%	
November	224,953	174,047	210,243	211,003 ²	197,960 ²		-6.18%	
December	222,396	183,266	212,485	211,361 ²	193,370 ²		-8.51%	
Year Average	228,597	207,403	202,620	212,006 ²	198,062 ²	202,777 *		

^{*} Partial Year

^{**}All data are revised; see July 2001 statistic changes explanation



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	JAN 09	DEC 08	NOV 08	JAN 08
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	35 ¹	32 ¹	29 ¹	37 ¹
Natural Gas & Casinghead ^C (BCF)	125 ¹	115 ¹	104 ¹	170 ¹
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	163	115 ²	148	158
Natural Gas & Casinghead ^C (BCF)	1,782	1,783	1,730	1,711 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	305	292	298	310
U.S. Natural Gas ^C (BCF)	358	368	322	388 ²
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	1,215	1,380	1,498	1,421
U.S. Oil ^A	328	391	426	321
U.S. Offshore ^A	66	66	63	60
U.S. Total ^A	1,553	1,782	1,935	1,749
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	37.60	35.79	45.61 ²	85.41
U.S. Imports Average ^C (F.O.B.)	36.85	34.23	44.95	83.43
U.S. Wellhead Average ^C	35.00	36.80	53.67	87.06
Gulf OCS Wellhead Average ^C	39.16	48.19	68.67	89.00
State Severance Wellhead Average ^E	58.12	80.01	98.89	91.05
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	7.95	8.16	7.93	8.37 ²
U.S. Imports Average ^C (F.O.B.)	6.18	6.73	6.54	7.66 ²
U.S. Wellhead Average ^C	5.15	5.87	5.97	6.99
State Royalty Wellhead Average	5.93	6.57	7.00	8.14
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	6.14	6.89	6.47	7.17

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1	Estimated	MCF	Thousand Cubic Feet	Α	Oil & Gas Journal	D	Natural Gas Week
2	Revised	MMB	Million Barrels	В	Wall Street Journal	Ε	LA Dept of Revenue
BCF	Billion Cubic Feet	N/A	Not Available	C	U. S. Dept. of Energy		
BTU	British Thermal Unit	ocs	Outer Continental Shelf				
F.O.B.	Free on Board	MMBTU	Million British Thermal Units	Note	: Unless otherwise specifi	ed, da	ata is from the Louisiana

Note from the Editors

Louisiana Energy Facts is published monthly by the Louisiana Department of Natural Resources, Technology Assessment Division as a public service to individuals interested in Louisiana energy activities. Content includes recent oil, gas and other energy statistics and a brief analysis of current trends.

Louisiana Energy Facts articles provide insight and information on subjects of special interest to our readers, and may announce relevant, forthcoming publications.

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Department of Natural Resources and excludes Federal OCS.

2008 Louisiana State Producing Oil Wells, by Production Rate OCS Wells Excluded

Louisiana DNR Technology Assessment Division

PRODUCTION BRACKET	NUMBER	OF WELLS	TOTAL ANNUAL PRODUCTION			
BARRELS/DAY	<u>WELLS</u>	% TOTAL WELLS	BARRELS/YEAR	% TOTAL PRODUCTION		
Less than or equal 10	18,110	86.11%	9,934,278	13.76%		
Between 10 - 15	688	3.27%	3,472,894	4.81%		
Between 15 - 20	465	2.21%	3,430,448	4.75%		
Between 20 - 30	587	2.79%	5,934,451	8.22%		
Between 30 - 40	289	1.37%	4,324,828	5.99%		
Between 40 - 50	157	0.75%	3,108,339	4.30%		
Between 50 - 75	315	1.50%	8,001,058	11.08%		
Between 75 - 100	124	0.59%	4,346,415	6.02%		
Between 100 - 150	122	0.58%	6,243,698	8.65%		
Between 150 - 200	65	0.31%	4,668,276	6.46%		
Between 200 - 300	47	0.22%	5,270,267	7.30%		
Between 300 - 500	42	0.20%	5,878,750	8.14%		
Between 500 - 1,000	17	0.08%	5,360,472	7.42%		
Between 1,000 - 2,000	2	0.01%	860,752	1.19%		
Between 2,000 - 5,000	1	0.00%	1,376,454	1.91%		
Over 5000	0	0.00%	0	0.00%		

2008 Louisiana State Producing Gas Wells, by Production Rate OCS Wells Excluded

Louisiana DNR Technology Assessment Division

PRODUCTION BRACKET	NUMBER (OF WELLS	TOTAL ANNUAL PRODUCTION			
MCF/DAY	<u>WELLS</u>	% TOTAL WELLS	MCF/YEAR	% TOTAL PRODUCTION		
Less than or equal 50	12,054	64.03%	27,292,181	2.01%		
Between 50 - 60	345	1.83%	6,099,408	0.45%		
Between 60 - 70	358	1.90%	7,288,559	0.54%		
Between 70 - 80	306	1.63%	7,208,077	0.53%		
Between 80 - 90	317	1.68%	8,350,749	0.62%		
Between 90 - 100	242	1.29%	7,130,911	0.53%		
Between 100 - 250	2,164	11.49%	111,853,746	8.24%		
Between 250 - 400	1,315	6.98%	128,803,863	9.49%		
Between 400 - 800	1,008	5.35%	176,544,602	13.01%		
Between 800 - 1,600	396	2.10%	146,092,507	10.76%		
Between 1,600 - 3,200	147	0.78%	119,596,998	8.81%		
Between 3,200 - 6,400	99	0.53%	155,698,493	11.47%		
Between 6,400 - 12,800	56	0.30%	244,320,543	18.00%		
Between 12,800 - 25,600	17	0.09%	116,510,486	8.58%		
Over 25,600	3	0.02%	94,517,647	6.96%		

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Quick Facts

JULY 2009

Louisiana DNR Technology Assessment Division

SPOT MARKET PRICES	Jun 09	May 09	Jun 08
Louisiana Natural Gas ^D (\$/MMBTU)	3.66	3.65	12.35
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)	3.95	3.33	11.92
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	71.15	60.29 ²	137.91
BAKER HUGHES RIG COUNTS	May 09	Apr 09	May 08
North Louisiana ^A	77	74	52
South Louisiana Inland Waters ^A	6	5	22
South Louisiana Inland ^A	11	14	21
Louisiana State Offshore	2	0	4
Louisiana Federal OCS Offshore	45	41	52
Total Louisiana ^A (OCS included)	141	134	151
PRODUCTION (State Jurisdiction Only)	May 09	Apr 09	May 08
Louisiana Crude Oil & Condensate (MMB)	6.3 1	6.1 ¹	6.6
Louisiana Natural Gas & Casinghead (BCF)	117.2 ¹	113.4 ¹	119.5 ²
DRILLING PERMITS (State Jurisdiction Only)	May 09	Apr 09	May 08
Total Louisiana Oil and Gas	97	108	228
Louisiana Wildcats	1	3	10
Louisiana Offshore (Wildcats included)	1	2	4